

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF HENDERSON)	CASE NO. 90-377-C
UNION RURAL ELECTRIC COOPERATIVE)	
CORPORATION FROM NOVEMBER 1, 1991 TO)	
APRIL 30, 1992)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on June 29, 1992 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Henderson Union Rural Electric Cooperative Corporation ("Henderson Union") for the 6 months ended April 30, 1992.

As part of this review, the Commission ordered Henderson Union to submit certain information concerning its compliance with Commission Regulation 807 KAR 5:056. Henderson Union has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

Henderson Union is a distribution cooperative which purchases its power from Big Rivers Electric Corporation ("Big Rivers"). In Case No. 90-360-C,¹ the Commission found that Big Rivers incurred

¹ Case No. 90-360-C, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 1991 to April 30, 1992, Order dated July 21, 1994.

unreasonable fuel costs which were passed on to its member cooperatives. Big Rivers was ordered to return those amounts, with interest, to its members via a monthly credit to its fuel cost over a 12-month period beginning August 1994. These credits will, in turn, be passed through to Henderson Union's customers through the normal operation of its FAC.

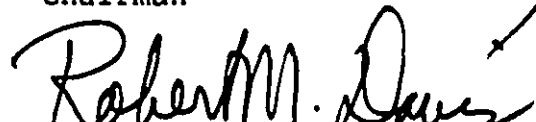
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that, during the period under review, Henderson Union has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

IT IS THEREFORE ORDERED that this case be and it hereby is closed.

Done at Frankfort, Kentucky, this 22nd day of July, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director